



18 November 1988

~~MG William Burns, USA (Ret)~~

~~Director, Arms Control and Disarmament Agency~~

State Department

Room 5930

320 21st Street, NW

Washington, D.C. 20451

Dear Bill,

Enclosed is a copy of the Key Judgments for SNIE 11-16:
Soviet Policy During the Next Phase of Arms Control in Europe
which was approved by the National Foreign Intelligence Board
on 17 November 1988. I will send you a copy of the full SNIE
when it is published in about two weeks. If there is anything
else we can do for you, please do not hesitate to contact me.

Sincerely,

LARRY D. BUDGE

Major General, USA

National Intelligence Officer

General Purpose Forces

Enclosure



18 November 1988

~~MG John O. Sewall, USA~~
Director, Strategy Plans and Policy
ODCSOPS
Room 3E530, The Pentagon
Washington, D.C. 20310-1251

Dear General Sewall: *John*

Enclosed is a copy of the Key Judgments for SNIE 11-16:
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Sincerely,

Larry D. Budge
LARRY D. BUDGE
Major General, USA
National Intelligence Officer
General Purpose Forces

Enclosure



18 November 1988

~~Colonel Donald A. Mahley~~
National Security Council
Arms Control
Special Assistant to the President
and Senior Director
Room 380, OEOB

DDA.
Dear ~~Colonel Mahley~~:

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*FWALLY GOT
DONE!*

Sincerely,

LARRY D. BUDGE
Major General, USA
National Intelligence Officer
General Purpose Forces

Enclosure

Director of Central Intelligence



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Soviet Policy During the Next Phase of Arms Control in Europe

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Special National Intelligence Estimate

Key Judgments

*These Key Judgments represent the views
of the Director of Central Intelligence
with the advice and assistance of the
US Intelligence Community.*

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SNIE 11-16-88W
November 1988

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Key Judgments

We judge that the Soviets and their allies have a number of interrelated military, political, and economic reasons to engage the West in conventional arms control:

- Military:
 - To improve the correlation of forces and to reduce what they perceive as NATO's capability to launch a surprise attack.
 - To impede NATO's force modernization plans and to prevent or impede NATO's deployment of advanced technology weapons.
- Political:
 - To demonstrate the "new thinking" in Soviet foreign and domestic policy.
 - To appeal to foreign and domestic public opinion in a generalized way, while adding to Moscow's overall arms control posture and enhancing the USSR's image as a trustworthy, rational player in the international arena.
- Economic:
 - To reduce the threat from NATO and thereby reduce the urgency on the part of the Soviet Union to match or better NATO's high-technology modernization programs.
 - To make it politically easier to allocate economic resources within the Soviet Union from the defense sector to the civilian sector to carry out *perestroika*.

We believe the Soviets and their allies *prefer* to negotiate with NATO to achieve *mutual* reductions of conventional forces. Militarily, it makes more sense to trade force reductions, thereby retaining a balance in the correlation of forces. However, the Warsaw Pact probably realizes that negotiating an agreement with NATO that is acceptable to the Soviets could take years—and might not even be possible.

In the short term (up to two years), we believe the Pact will pursue a strategy aimed at reducing the West's perception of the Soviet threat in the expectation that this course will make it difficult for NATO governments to maintain or increase defense spending. The Pact will engage NATO in the Conventional Stability Talks and probably will introduce sweeping proposals for asymmetric reductions.

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We predict that, when formal negotiations concerning conventional forces in the Atlantic-to-the-Urals zone begin, the Warsaw Pact will quickly present a formal version of its public diplomacy position—and might even table a draft treaty very early in the negotiations. It will probably insist on ~~an initial discussion of data regarding asymmetries between the two sides~~ forces and will probably suggest establishing a working group on data.

The Warsaw Pact states will *not* accept the current NATO proposal, which in effect calls on the Pact to take gigantic cuts in tanks and artillery for minor cuts on the NATO side so that there is parity between the Pact and NATO. For example, this would mean the Pact would have to withdraw or destroy about 25,000 tanks while NATO would withdraw or destroy about 900 tanks.

Outside of the negotiating process itself, for political effect, the Soviets may also take unilateral initiatives:

- We judge the Soviets could garner significant political gains in Western Europe at tolerable risks by unilaterally removing some of their forces from Eastern Europe, especially all from Hungary. The evidence on Soviet timing and conditions is insufficient to predict with confidence when and whether a withdrawal announcement might be made.
- Given the West German concern about short-range nuclear-capable forces, it is possible that the Soviets might make a gesture by unilaterally withdrawing some short-range ballistic missile launchers from Eastern Europe; however, we judge the likelihood of such a move to be low for the period of this Estimate.
- The Soviets may attempt to portray force restructuring as a unilateral force reduction; however, we judge that the ongoing restructuring of the Soviet ground forces is intended primarily to make units more effective for prolonged conventional combat operations against NATO.

We judge that, among our NATO Allies, France will be the most resistant to potential Soviet gambits, with the United Kingdom a strong second. Of the major partners, the Federal Republic of Germany will be the most responsive to such ploys, because of its strong desire to reduce defense spending and to reduce the chance of the country becoming Europe's nuclear battleground. The challenge for the United States and the rest of NATO will be to continue the ongoing NATO modernization, while at the same time negotiating on a possible agreement with a more sophisticated adversary in an environment where the public perception of the Warsaw Pact threat has been softened significantly.

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